

Thai News Update: 22 January 2020

1. PM appoints panel to speed up trade, investment

Source: The Nation ([Link](#))

Prime Minister Prayut Chan-o-cha has appointed a committee to accelerate trade and investment. Finance Minister Uttama Savanayana said on January 21 that a cabinet meeting in Narathiwat province acknowledged the PM's order to appoint the committee. The Cabinet also gave the green light to a Bank for Agriculture and Agricultural Cooperatives (BAAC) recapitalisation of Bt20 billion over five years. Government spokeswoman Narumon Pinyosinwat said the PM-appointed committee would accelerate public sector investment this year and the next. The committee will be chaired by Deputy PM Somkid Jatusripitak. The finance minister is to be vice chairman.

2. Investment under Foreign Business Act surges 60% last year

Source: The Nation ([Link](#))

Foreign investment in Thailand, under the Foreign Business Act of 2542, surged 60 per cent year on year to Bt200 billion in 2019. Weerasak Wangsupakitkosol, Deputy Minister of Commerce, said on January 21 that 697 foreign investors were permitted to invest in Thailand last year under the Act. Most of the investments were in capital-intensive businesses such as engineering service, software development, and application services related to logistics and passenger transport, and e-payment. There were 3,000 Thai-foreign joint ventures set up last year with Bt47 billion in total registered capital.

3. Suvarnabhumi launches measures to tackle air pollution in airport area

Source: The Nation ([Link](#))

Suvarnabhumi Airport announced on January 22 that it has deployed measures to counter the PM2.5 problem (dust particulate matter not more than 2.5 microns in diameter) in the vicinity of the airport. One of the measures will involve using four fire trucks, each with a capacity of 9,000 litres, to spray water around the airport and runway areas four times a day, using 144,000 litres of water per day on average. The airport has enforced pollution control regulations on all public

vehicles running in the airport areas, which include taxis, shuttle buses, public buses, public vans and coaches. These vehicles were told to turn off the engine while waiting for passengers and make sure to have their vehicle condition checked regularly.

4. Cabinet nods to plan for Bt18.7 bn economic zone in Songkhla

Source: The Nation ([Link](#))

The Cabinet on January 21 approved the development plan of a special economic zone in Chana district of Songkhla province, costing Bt18.7 billion, said Deputy government spokesperson Ratchada Dhanadirek. The investment will cover building of a city, a deep sea port, water and land transportation networks, power plants driven by natural gas and biogas, she said after the Cabinet meeting in Narathiwat province. The economic zone will occupy 16,753 rai of land, of which 4,253 rai will be allocated for agro and light industries, 4,000 rai for heavy industry, 4,000 rai for four power plants with a combined electricity generating capacity of 3,700 megawatt. In addition, 2,000 rai will be allocated for supporting industry, 2,000 rai for a logistics hub and another 500 rai for services and residential areas.

5. KBank: Baht to rise throughout 2020

Source: Bangkok Post ([Link](#))

The baht's strength is expected to continue throughout this year, buoyed by Thailand's increased surpluses in current account and trade balance coupled with flat growth in imports, says Kasikornbank (Kbank). The local currency's value is forecast to hover around 29.75 against the US dollar in the first half before appreciating to 29.25 by the end of the year, said Kobsidthi Silpachai, KBank's head of capital markets research. On Dec 30, the baht touched a six-year high of 29.90 per dollar before depreciating into the 30s in 2020. Anaemic trade volume as the holidays approached allowed some investors to easily manipulate the baht, while the country's economic fundamentals also contributed to the previous gain.

6. MQDC's Forestias gets nod

Source: Bangkok Post ([Link](#))

Magnolia Quality Development Corporation Ltd (MQDC) is preparing to break ground on The Forestias, a 125-billion-baht mixed-use development on Bang Na-Trat Road, in March after being approved on environmental impact assessment (EIA) reports. Roongrote Chongsujipan, senior vice-president of Mulberry Grove, said there will be two residential projects in The

Forestias developed under Mulberry Grove, a homegrown brand targeted at intergenerational living. "We designed the product for every generation, as in Thai culture extended families prefer to live together. Yet there is also private space to meet the requirements of individuals," he said. The two schemes are a luxury single detached house project and a luxury condo project. Both are scheduled to be launched this year.

7. Ministry seeks nod for RCEP signing

source: Bangkok Post ([Link](#))

The Commerce Ministry is scheduled to propose cabinet endorsement of Thailand's participation in signing the Regional Comprehensive Economic Partnership (RCEP) by the middle of this year. Auramon Supthaweethum, director-general of the Trade Negotiations Department, said after the conclusion of RCEP talks late last year Thailand and country members of the pact are in the process of scrubbing the legal wording of the pact, and asking for domestic approval procedures. She said the Commerce Ministry plans to file the proposal to the cabinet by the middle of the year to allow the commerce minister to formally sign the agreement during the Asean Summit in November in Vietnam.

8. Thailand Board of Investment Promotes Major Infrastructure Projects to Support Growth Over the Next Five years

Source: PR Newswire ([Link](#))

Thailand expects its ongoing investment in major infrastructure to be the basis of growth in the next five years, Mr. Kobsak Pootrakool, Deputy Secretary General to the Prime Minister and Secretary to the Thailand's Council of Economic Ministers, said at a recent meeting with the international press to discuss "Thailand's Investment Ecosystem Update." Speaking at a briefing held at the Foreign Correspondents Club of Thailand in Bangkok, Kobsak estimated that the current cyclical downturn of the global economy and the pressure from the geopolitical and trade tensions, will continue to affect Thailand's economic growth for another two to three years. However, Kobsak reaffirmed his positive outlook that progress has been made and foundation has been laid to strengthen the Thai economy in order to minimize current fluctuations while driving future growth. Policies being implemented to address the economic challenges include steps to strengthen the local economy, the small and medium enterprise segment, the agriculture

sector, export competitiveness and tourism, while accelerating public disbursement and attracting private investment, he said.